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Chicago, USA & Sheffield, UK

For Immediate Release:

CLUB 9 SPORTS SUBMITS A REVISED OFFER TO SWFC WITH A 50% INCREASE IN CASH AT CLOSING

New offer would improve the club's balance sheet by £9.5m immediately and by as much as \$16.5m if the club gets promoted back to the Championship.

On Thursday, July 8th, CLUB 9 SPORTS sent a detailed offer to the SWFC Chairman and CEO, which included a 50% increase of cash at closing from £2m to £3m. The offer was made privately and in the spirit of cooperation as a way to move SWFC forward and it requested a reply by Saturday at 5 pm (GMT). CLUB 9 SPORTS received no such response. The lack of response is evidence that this board has no intentions of addressing the current and serious plight of the club if it means giving up control.

The management of CLUB 9 SPORTS and its investors and strategic allies find this totally unacceptable and arrogant. After overseeing many years of decay, piling on millions of pounds of debt and seeing the club relegated again to the third division of English soccer, what reasonable person would suggest that this board should continue to stay in power? The only answer that this board has provided for the club and its supporters is the borrowing of more money, which only further leverages the club with unsustainable debt. This puts the club's debt at roughly £28m, or more than 2x turnover. This debt is greater than the club's valuation. This represents a much worse condition than Manchester United, where serious concerns have been voiced about its debt level, but which has debt of less than 2 x turnover and debt of approximately 50% of its valuation. What's more, Manchester United had a profit of £150m last season while SWFC lost an undisclosed amount. As a result of the board's refusal to respond to the cordial offer and as a result of the board's long track record of performance, CLUB 9 SPORTS and its investors and allies have decided it is time for action, rather than talk.

The below summarizes the details of the offer and why management believes it offers SWFC a serious and compelling way forward:

- 1) The offer has been increased by 50% to £3m of cash at closing. This offer represents an immediate net increase in the balance sheet of the club of £9.5 as the offer also includes a £6.5m write-down of existing debt. Once in control, the group expects another £2m to come into the club as needed but no later than the beginning of the 2011/12 season. For a club with £28m in debt, annual losses and relegation to the third division, this represents a serious and generous offer when there are no other serious investors at the table.

- 2) The current board has presided over a long-term, chronic failure of leadership. The inglorious results are in plain view for all to see and are indisputable and the responsibility for those results is unavoidable. A.) Massive debt. B.) Decaying of fan base and international reputation. C.) Relegation to the third division.
- 3) Prominent local businessman, Dennis Hobson has joined the group as an investor and will play a major role in the turnaround. Hobson is a life-long Wednesday supporter and successful and respected entrepreneur. He views the plan as the best way forward for SWFC.
- 4) In addition to the financial impact, CLUB 9 SPORTS will bring experienced, full-time executives into the club and board versus the current status of part-time, non executives running the organization. In short, the club will be run as a business and not as a social entitlement.
- 5) After all this time, the only answer the current board has is to recently add another £3m of debt and make derisory comments about any willing investors. CLUB 9 SPORTS is offering fresh ideas, experienced sports management, financial acumen, a local investor, an international player development strategy and an equity infusion and restructuring plan to put the club back on strong financial footing and on track to pursue its rightful position in English football.
- 6) CLUB 9 SPORTS approaches the business from the fan's perspective. It is their view that fans have been ignored, disrespected and taken for granted. Experience and knowledge in sports has taught that the most important asset of any sports franchise is its fan support. This plan will benefit the fans of SWFC and stands in stark contrast to the "status quo" offered by the current board. The offer has been prepared and discussed in detail with both the Co-Op Bank and the Wednesdayites and CLUB 9 SPORTS wishes to engage with any and all Wednesday supporters who want to see a new day at S6.

Quotes:

"I am on-board with and participating in this offer as a life-long supporter of Wednesday because I believe it is in the best long-term interest of the club and I know change must come now," said local businessman and boxing promoter, *Dennis Hobson*.

"We have had extensive communication with Wednesdayite which is supportive of new investment and who have indicated that in principle they are willing to consult their membership by way of ballot on the basis of any legitimate offer which provides the prospect of a better future for the club," remarked *John Prutch*, Managing Partner of Prometheus Capital and part owner of CLUB 9 SPORTS.

"We believe Wednesday is a club with long-term promise but a lot of major problems currently. We see an opportunity to fix those problems and turn the club around in time. Such a turnaround will benefit fans, supporters and shareholders while also producing returns for Club 9 Sports and its investors in relation to the risk they are taking," commented *Jon Pritchett*, CEO and Operating Partner.

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